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United States General Accounting Office

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Report to the Honorable
William V. Roth, Jr., U.S. Senate

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June 1990

ACQUISITION REFORM

Authority Delegated Under the Secretary of Defense for Acquisition

GAO/NSIAD-90-183

GAO

United States
General Accounting Office
Washington, D.C. 20548

National Security and
International Affairs Division

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June 6, 1990

The Honorable William V. Roth, Jr.
United States Senate

Dear Senator Roth:

This is in response to your October 20, 1989, request to determine if the Under Secretary of Defense (Acquisition) (USD(A)), appointed on August 11, 1989, has been given the authority and support necessary to supervise the entire Department of Defense (DOD) acquisition system. We also looked at the current USD(A)'s use of authority.

The President's 1986 Blue Ribbon Commission on Defense Management—the Packard Commission—recommended the USD(A) be a full-time acquisition manager with the responsibility and accountability for supervising the DOD acquisition system. Our November 1989 report[1] to you addressed the tenure of the previous two USD(A)s and noted that they had not been given the full authority and support needed. That report also noted that language contained in the USD(A)'s charter seemed to limit the USD(A)'s authority to direct the service secretaries regarding acquisition matters and did not include authority to issue acquisition policy and directives.

Results in Brief

Our review indicates that the current USD(A) has been provided the authority and support needed to supervise DOD's acquisition system as envisioned by the Packard Commission. The USD(A) charter has been revised to expand and clarify the USD(A)'s authority and responsibility. The Defense Secretary's Defense Management Report reaffirms and enhances delegations of authority and responsibility to the Office of the USD(A) and states that the USD(A) will have the full support of the Secretary and Deputy Secretary of Defense.

The manner and extent to which the USD(A) uses the office's authority will depend on the personality, skills, abilities, and management style of the individual occupying the position. The current USD(A)'s management style appears to be one of decentralized decision-making authority.

[1] Acquisition Reform: DOD's Efforts to Streamline Its Acquisition System and Reduce Personnel (GAO/NSIAD-90-21, Nov. 1989).

This is reflected in recent efforts to increase program manager decision-making authority and responsibility and to reduce review layers. These efforts are consistent with the Packard Commission's recommendations. However, we believe that decentralizing and delegating authority and responsibility must be exercised in a manner that does not undermine the intended centralized policy-making and supervisory role of the USD(A).

1989 Charter Expands USD(A)'s Authority Substantially

We found the 1989 amended charter to be substantially different from the original 1987 charter. The Secretary's amended charter expands and clarifies the USD(A)'s authority and responsibilities in all DOD acquisition matters. For example, the amended charter clearly states the USD(A) is granted authority to direct the secretaries of the military departments and heads of other DOD components with respect to matters for which the USD(A) is responsible. This includes enforcing the minimum requirements for major acquisition programs established in DOD's acquisition policy directive (DOD Directive 5000.1).

In addition, the amended charter gives the USD(A) authority to make decisions on milestone reviews by the Defense Acquisition Board and to issue decision documents under his signature. This authority previously resided with the Secretary and Deputy Secretary of Defense. Based on documents provided by DOD, the USD(A) has since exercised this authority many times. For example, in October 1989, the USD(A) issued acquisition decision memorandums on the Close Air Support Aircraft, Advanced Field Artillery Tactical Data System, Advanced Tactical Fighter, and the DOD National Airspace System. DOD provided us with 15 examples of decision memorandums signed by the USD(A).

The USD(A) was also given the authority to establish the requirements that an acquisition program must satisfy before progressing to the next milestone. The Secretary of Defense authorized USD(A) to direct the DOD Comptroller to withhold funds for programs that do not meet milestone requirements.

In addition to amending the USD(A) charter, the Secretary of Defense included the USD(A) as a member of the newly created DOD Executive Committee, which is the key deliberative and decision-making body for all major defense issues. Also, the USD(A) continues to serve as a member of the Defense Planning and Resources Board, the Chairman of the Defense Acquisition Board, and key advisor to the Secretary and Deputy

Secretary of Defense on acquisition resource decisions. A comparison and analysis of the two charters is included in appendix I.

USD(A)'s Viewpoint of Authority

USD(A) believes he has the necessary authority and control to fully execute the duties assigned to the position and the support of the Secretary and Deputy Secretary of Defense as DOD's acquisition executive. USD(A) believes the secretaries of the military departments accept his authority and responsibilities regarding acquisition matters. USD(A) has no knowledge or indication that the military services have appealed any of his decisions or are not abiding by his directions.

It is USD(A)'s belief that the Packard Commission's three-tiered management chain for acquisition programs is a valid and necessary change and that further refinements to the services' existing command chains will take place. However, the USD(A) also believes that changes in DOD should be evolutionary rather than revolutionary and prefers not to force unwanted changes on the services.

USD(A)'s Use of Authority

Since his appointment on August 11, 1989, the current USD(A) had issued a number of policy directives through December 1989. For example, he issued policy guidance to limit the use of fixed-priced research and development contracts, and has established requirements for milestone reviews. He has also chaired a number of weapon system reviews.

We examined 15 acquisition decision memorandums resulting from such reviews and noted that the USD(A) concurred or approved the services request in 14 of the 15 reviews. Several of the approvals provided additional guidance to the services and in at least one case, the approval was subject to further guidance.

As part of the USD(A)'s efforts to streamline the acquisition process and reduce layers of review and approval, he has taken steps to reduce oversight of the military departments by the Office of the Secretary of Defense (OSD) officials. For example, on January 26, 1990, the USD(A) issued a memorandum to assure that his office withholds program funds to enforce oversight reviews only when necessary by limiting the authority to withhold and release funding to himself and his principal deputy. The USD(A) stated that his goal was to maximize managerial flexibility, reduce program instability and place authority and responsibility fully on the program manager.

In addition, the USD(A) stated that he would personally review existing withholds and release as many as possible, and discuss with the DOD Comptroller the reduction of withholds initiated by his staff.

In a March 12, 1990, memorandum to the Director, Operational Test and Evaluation, the USD(A) questioned the rationale for and value added by OSD's approval of test and evaluation master plans for major acquisitions. The USD(A) requested that the Director clarify, in detail, the role of OSD and the interrelationships of various testing offices.

The USD(A) appears to be moving towards support of those, including the Air Force, that believe approval of test plans should be limited to the services' acquisition management chain. However, according to the Director, the Chairmen of the Defense Acquisition Board Committees stated Operational Test and Evaluation's independent, objective, and unbiased input on test plans was needed—particularly with the pressure on program managers to develop optimistic development and test schedules. USD(A) officials stated that the USD(A) has not come to a conclusion on OSD's role in approving the services' testing plans.

We support streamlining efforts and the need to place authority, responsibility, and accountability at the program manager level. However, we believe caution is needed to ensure a sufficient level of management oversight is retained at OSD to assure that program managers are not functioning primarily as program advocates and representatives of the user.

Not only must the program manager be free of layers of review and oversight, he must also be independent and free of the institutional structures, influences, and incentives that have led to (1) overly optimistic assessments of program cost, schedule, and performance, (2) costly requirements and design changes, (3) high risk concurrent acquisition strategies, and (4) delays in fully reporting cost, schedule, and performance problems. It was this environment that led to the establishment of the review layers and controls in the first place.

Scope and Methodology

We did a word-for-word comparison of the 1987 and 1989 charters to determine the changes made in the delegation of authority and responsibilities to the USD(A). We compared the authority and responsibilities of the USD(A) in the 1989 charter to those recommended by the Packard Commission. We discussed the authorities and responsibilities delegated

to the USD(A) with the USD(A)'s executive assistant and reviewed USD(A) acquisition decision memorandums and policy guidance.

This report was reviewed by the USD(A) and other DOD officials and their comments are included where appropriate. We conducted our review between October and December 1989 in accordance with generally accepted government auditing standards.

As agreed with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of this letter. At that time, we will send copies of this report to the Secretary of Defense and other interested parties upon request.

This report was prepared under the direction of Paul F. Math, Director, Research, Development, Acquisition, and Procurement Issues, who may be reached on (202) 275-8400, if you or your staff have any questions. Other major contributors are listed in appendix II.

Sincerely yours,

Frank C. Conahan

Frank C. Conahan
Assistant Comptroller General

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Abbreviations

DOD	Department of Defense
OSD	Office of the Secretary of Defense
USD(A)	Under Secretary of Defense (Acquisition)

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Analysis of Authority Delegated to the USD(A)

To determine whether or not the USD(A) was delegated the necessary authority to supervise the entire DOD Acquisition System and fulfill the duties of the Defense Acquisition Executive, we compared the original charter for the office, issued on February 10, 1987, which we found to be deficient, to the charter that was amended and issued by the current Secretary of Defense on August 8, 1989. The underlined portions of the 1989 charter reflect amendments or changes made to the 1987 charter.

Charter issued in 1987	Charter issued in 1989
C. Responsibilities	**C. Responsibilities**
USD(A) is the principal staff assistant and advisor to the Secretary of Defense for all matters relating to the acquisition system.	USD(A) is the principal staff assistant and advisor to the Secretary of Defense for all matters relating to the DOD Acquisition System.
1. The USD(A) shall:	1. The USD(A) shall:
a. Serve as the Defense Acquisition Executive [DAE] with responsibility for supervising the performance of the entire DOD acquisition system in accordance with policies, provisions, and authorities contained in DOD Directive 5000.1, and Office of Management and Budget Circular Number A-109.	a. Serve as the Defense Acquisition Executive [DAE] with full responsibility for supervising the performance of the DOD Acquisition System and enforcing policies and practices contained in DOD Directive 5000.1, DOD Instruction 5000.2, and Office of Management and Budget Circular Number A-109.
b. Establish policy for acquisition plans and strategies, validate program acquisition requirements, and develop acquisition program guidance.	f. Establish and publish policies governing operations of the DOD Acquisition System and the administrative oversight of defense contractors.
d. Set policy for administrative oversight of defense contractors.	See paragraph 1.f. above.
c. Set policy for acquisition matters, including research and development, production, construction, logistics, developmental testing, procurement, and training and career development of acquisition personnel.	h. Coordinate research and development programs DOD-wide to eliminate duplication of effort and ensure that available resources are used to maximum advantage.
See paragraph 1.c. above.	i. Establish policies and programs that strengthen DOD Components' technology development programs, encourage technical competition and technology-driven prototyping that promise increased military capabilities, and exploit the cost-reduction potential of innovative or commercially developed technologies.
See paragraph 1.c. above.	j. Develop acquisition plans, strategies, guidance, and assessments, including affordability assessments and investment area analyses, in support of the acquisition milestone review and planning, programming and budgeting system processes.
See paragraph 1.c. above.	p. Establish policies, in coordination with the Assistant Secretary of Defense (Force Management and Personnel) for the training and career development of acquisition personnel.
e. Serve as the DOD Procurement Executive, with responsibilities as prescribed in Executive Order 12352 and 41 United States Code 401-419.	c. Serve as the DOD Procurement Executive, with responsibilities as prescribed in Executive Order 12352 and 41 United States Code 401-424.

(continued)

Charter issued in 1987	Charter issued in 1989
f. The Inspector General, DOD shall coordinate audit and oversight of contractor activities with USD(A) to prevent duplication of effort in DOD and unnecessary duplicative oversight of contractors.	g. Prescribe policies, in coordination with the Inspector General, DOD, and the Comptroller of the Department of Defense, to ensure audit and oversight of contractor activities are coordinated and carried out in a manner to prevent duplication by different elements of DOD. The exercise of this responsibility shall not affect the authority of the Inspector General under the Inspector General Act of 1978.
g. Serve as the National Armaments Director and Secretary of Defense representative to the Four Power Conference. Develop Memorandums of Agreement and Memorandums of Understanding with friendly and allied nations relating to acquisition matters.	e. Serve as the National Armaments Director and Secretary of Defense representative to the Four Power Conference.
See paragraph 1.g. above.	m. Develop, in coordination with the Under Secretary of Defense (Policy), Memorandums of Agreement and Memorandums of Understanding with friendly and Allied Nations relating to acquisition matters.
h. Chair the Defense Acquisition Board [DAB], assisted by an integrated structure of councils and committees that relate to the acquisition process.	b. Chair the Defense Acquisition Board [DAB], supported by an integrated structure of acquisition-related committees, and pursuant to paragraph E.3. of this Directive, serve as signatory authority on Acquisition Decision Memoranda documenting Milestone reviews by the [DAB].
No related responsibility.	d. Chair the DOD Ethics Council, with responsibilities as prescribed in DOD Directive 5120.47.
No related responsibility.	k. Administer the Defense Acquisition Executive Summary and Cost/Schedule Control System Criteria systems.
No related responsibility.	l. Designate major defense acquisition programs as either [DAB] or Component programs, sign congressional certifications and reports to include milestone authorization breaches, administer the Selected Acquisition Report and Unit Cost Report systems, and exercise the other specific authorities provided for in the delegations of authority contained in enclosure 2.
No related responsibility.	n. Establish policies for maintenance of the defense industrial base.
No related responsibility.	o. Supervise the management and performance of the Strategic and Critical Defense Materials Program pursuant to Executive Order 12626.
No related responsibility.	q. Advise the Secretary of Defense and Deputy Secretary of Defense on technical and programmatic issues arising in Defense Planning and Resources Board matters.
2. For each assigned areas, the USD(A) shall:	2. For each assigned area identified in section D., below, the USD(A) shall:
a. Direct planning and special studies to analyze and evaluate the technical, economic, and military worth of programs in the acquisition system.	a. Direct planning and analyses activities to assess the technical, economic, and military worth of specific acquisition programs and investment areas.
b. Establish policies, conduct analyses, provide advice, make recommendations, and issue guidance on DOD plans and programs.	b. Establish policies, systems, and standards that promote more effective and efficient administration and management of acquisition resources, and monitor the execution of approved programs to ensure available resources are being applied in accordance with established policies and standards.
c. Develop systems and standards for the administration and management of approved DOD acquisition plans and programs.	

(continued)

Charter issued in 1987	Charter issued in 1989
d. Develop plans, program actions and taskings to ensure adherence to DOD policies and national security objectives, to ensure that programs and systems are designed to accommodate cross Service operational requirements and promote modernization consistent with readiness, sustainability and efficiency of the Armed Forces of the United States and its allies	c. Review and evaluate DOD Component plans, programs, and budget submissions to ensure adherence to established priorities, policies and procedures, standards, and resource guidance, and as appropriate, develop recommended alternatives for Secretary and Deputy Secretary of Defense consideration during all phases of the planning, programming and budgeting system process
e. Review and evaluate recommendations on requirements and priorities	See para. 2.b. and c. above
f. Review and evaluate DOD Component plans and programs to ensure adherence to approved policies, standards, and resource planning guidance	See para. 2.b. and c. above
g. In conjunction with the DOD Comptroller and Assistant Secretary of Defense (Program Analysis and Evaluation) review proposed resource programs, formulate budget estimates, recommend resource allocations, and monitor the implementation of approved resource programs	See para. 2.b. and c. above
h. Fullfill planning, programming and budgeting activities relating to USD(A) responsibilities	See para. 2.b. and c. above
i. Promote coordination, cooperation, and mutual understanding of all matters related to assigned activities, both inside and outside of DOD	d. Promote coordination, cooperation, and mutual understanding of all matters related to assigned activities, both inside and outside of DOD
j. Serve as primary focal point and principal spokesman for DOD and serve on boards, committees, and other groups pertaining to assigned functional areas, and represent the Secretary of Defense on USD(A) matters outside DOD	e. Serve as primary focal point and principal spokesman for DOD and serve on boards, committees, and other groups pertaining to assigned functional areas, and represent the Secretary and Deputy Secretary of Defense on USD(A) matters outside DOD
k. Develop and maintain information management and reporting systems	f. Establish and maintain management information and reporting systems
l. Perform such other duties as the Secretary of Defense may prescribe	g. Perform such other duties as the Secretary or Deputy Secretary of Defense may prescribe

As can be seen above, the Responsibilities section was expanded from 21 to 25 paragraphs. The Secretary made 30 amendments that either clarified USD(A)'s responsibilities or expanded them. In paragraph C.1.d. of the 1989 charter, the USD(A) is appointed the Chair of DOD's Ethics Council. This is a new responsibility for the USD(A). In paragraph C.1.f., the Secretary's amendment makes it clear the USD(A) will establish and publish DOD's acquisition policy directives.

D. Functions	D. Functions
The USD(A) shall carry out the responsibilities described in section C., above, for the following functional areas:	
1. Acquisition management	1. Acquisition management
2. Basic and applied research, design and engineering, and the development of weapon systems	2. Basic and applied research, and the defense technology base
See paragraph 2, above	3. Design and engineering, and the development of weapon systems
3. Command, Control, Communications, and Intelligence [C3I] programs, systems, and activities related to acquisition	4. Command, Control, Communications, and Intelligence [C3I] programs, systems, and activities related to acquisition

(continued)

Charter issued in 1987	Charter issued in 1989
4 Logistics management, to include supply systems, spares program management, items standardization, energy, warehousing, distribution, and related activities	5 Logistics acquisition and management, to include supply systems, spares program management, weapons systems logistics elements, items standardization, transportation, energy, warehousing, distribution, and related activities
5 Procurement activities	6 Procurement activities.
6 Scientific and technical information	7 Scientific and technical information
7 Production and manufacturing	8 Production and manufacturing.
8 Industrial base resources and productivity	9 Industrial base resources and productivity.
9 Force modernization	10 Force modernization and sustainability and availability of fielded major weapons systems.
10 Developmental Test and Evaluation, as defined in DOD Directive 5000.3, and review and approval of the Test and Evaluation Master Plan	11 Developmental Test and Evaluation, as defined in DOD Directive 5000.3, and, to the extent permitted by law, review and approval of the Test and Evaluation Master Plan.
11 Environmental services	12 Environmental policy, services, and related actions.
12 Assignment and reassignment of research and engineering and acquisition responsibility for programs, systems and activities	13 Assignment and reassignment of research and engineering and acquisition responsibility for programs, systems and activities
13 Codevelopment, coproduction, logistics support, and research interchange with friendly and allied nations, in coordination with the Under Secretary of Defense (Policy)	14 Codevelopment, coproduction, coprocurement, logistics support, wartime host-nation support, and research interchange with friendly and allied nations, in coordination with the Under Secretary of Defense (Policy).
14 Installation management	15 Installation management and base closures.
15 Construction, including construction funded by host nations under the North Atlantic Treaty Organization Infrastructure program	16 Construction, including construction funded by host nations under the North Atlantic Treaty Organization Infrastructure program and similar programs with other allied countries.
No related responsibility	17 Strategic and critical defense materials, to include the acquisition, retention, and disposal of stocks and the conservation and development of sources of materials
No related responsibility	18 Unique acquisition matters in support of special operations and low-intensity conflict programs, systems, and activities related to acquisition, in coordination with the Under Secretary of Defense (Policy).

The Secretary added 3 paragraphs and amended 8 paragraphs in the function section of the 1989 charter. Again, these changes either clarified or expanded the functional areas of the USD(A).

E. Authorities and relationships	E. Authorities and relationships
1. The USD(A) shall take precedence in DOD on acquisition matters after the Secretary and Deputy Secretary of Defense. On all other matters, the USD(A) shall take precedence after the Secretary and Deputy Secretary of Defense and the Secretaries of the Military Departments.	1. The USD(A) shall take precedence in DOD on acquisition matters after the Secretary and Deputy Secretary of Defense. On all other matters, the USD(A) shall take precedence after the Secretary and Deputy Secretary of Defense and the Secretaries of the Military Departments.

(continued)

Charter issued in 1987	Charter issued in 1989
2. The USD(A) shall direct the Secretaries of the Military Departments and Heads of other DOD Components on policy, procedure, and execution of the acquisition system. This includes responsibility for the development, management, supervision, and evaluation of acquisition systems and processes.	2. The USD(A) is hereby granted the authority to direct the Secretaries of the Military Departments and Heads of all other DOD Components with respect to matters for which the USD(A) has responsibility. In this regard, USD(A) shall strictly enforce the minimum established requirements in DOD Directive 5000.1 and the documentation requirements and procedures in DOD Instruction 5000.2. The authority of the USD(A) to direct the Secretaries of the Military Departments may not be delegated by the USD(A).
3. The Secretary/Deputy Secretary of Defense shall make decisions on acquisition milestones and resource matters based on recommendations by the USD(A). The USD(A) shall prepare the documentation that reflects the Secretary/Deputy Secretary of Defense milestone decisions. These decisions shall be executed through the USD(A) for implementation by the Heads of DOD Components.	3. The USD(A) shall decide upon the appropriate implementing actions to be taken as a result of [DAB] reviews, to include the establishment of specific exit criteria that must be satisfactorily demonstrated before an effort or program can progress to the next Milestone decision point. The USD(A)'s decisions shall be reflected in an Acquisition Decision Memorandum issued by the USD(A) for implementation by the Heads of DOD Components. The authority of the USD(A) under this paragraph may not be delegated by the USD(A).
No related responsibility	4. The USD(A) may direct the Comptroller, DOD to withhold the release of funds to a program at the time of a [DAB] milestone review of the program, when USD(A) determines that such direction is necessary to ensure the program meets the criteria established by DOD Directives for exiting the milestone and all additional exit criteria for the program established by the Secretary/Deputy Secretary of Defense or USD(A). USD(A) may not delegate the authority granted by this paragraph to anyone other than the Deputy USD(A).
4. In the performance of assigned functions, the USD(A) shall:	5. In the performance of assigned functions, the USD(A) shall:
a. Exercise direction, authority and control over activities reporting directly to that official. These include:	a. Exercise direction, authority and control over the following activities and organizations that constitute the USD(A) organization. (The reporting relationships of the activities and organizations with regard to the USD(A) (e.g., direct or indirect) shall be at the discretion of the USD(A).):
(1) The Director of Defense Research and Engineering.	(1) The Director of Defense Research and Engineering.
(2) The Assistant Secretary of Defense (Research and Technology).	(2) The Assistant Secretary of Defense (Production and Logistics).
(3) The Assistant Secretary of Defense (Acquisition and Logistics).	No related office.
(4) Acquisition related activities of the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence).	(3) Acquisition related activities of the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence).
(5) The Assistant Secretary of Defense (Atomic Energy).	(4) The Assistant Secretary of Defense (Atomic Energy).
(6) The Director of Small and Disadvantaged Business Utilization.	(6) The Director of Small and Disadvantaged Business Utilization.
(7) The Defense Advanced Research Projects Agency, the Defense Communications Agency, the Defense Logistics Agency, the Defense Mapping Agency, the Defense Nuclear Agency, and the Defense Systems Management College.	(8) The Defense Advanced Research Projects Agency, the Defense Communications Agency, the Defense Logistics Agency, the Defense Mapping Agency, the Defense Nuclear Agency, the Defense Contract Management Agency, the Defense Systems Management College, and the On Site Inspection Agency.
No related office.	(5) The Deputy Under Secretary of Defense (Industrial and International Programs).
No related office.	(7) The Director, Program Integration.

(continued)

harter issued in 1987	Charter issued in 1989
Provide technical guidance for utilization of the Electro-magnetic ompatibility Analysis Center	b. Provide technical guidance for utilization of the Electro-magnetic Compatibility Analysis Center
Provide policy guidance, goal setting, and management upervision for the Logistics Systems Analysis Office, Defense ogistics Studies Information Exchange, Defense Management ournal, Defense Materiel Specifications and Standards ffice, Product Engineering Service Office, Weapon Support nprovement and Analysis Office, Defense Housing Management ystems Office, Defense Base Operations Analysis Office, and tilization o Federally Funded Research and Development Centers.	c. Provide policy guidance, goal setting, and management supervision for assigned Management Support Activities, and utilization of Federally Funded Research and Development Centers.
Use existing facilities and services of DOD and other Federal gencies whenever practicable, to avoid duplication and to achieve n appropriate balance among modernization, readiness, ustainability, efficiency, and economy	d. Use existing facilities and services of DOD and other Federal Agencies, whenever practicable, to avoid duplication and to achieve an appropriate balance among modernization, readiness, sustainability, efficiency, and economy
The USD(A) shall also	6. The USD(A) shall also
Issue DOD Instructions, DOD publications, and one-time directive-ype memoranda, consistent with DOD 5025.1-M, that implement olicies approved by the Secretary of Defense in the functions ssigned to the USD(A). Instructions to Unified and Specified ommands shall be issued through the Chairman of the Joint Chiefs f Staff	a. Issue DOD Instructions, DOD publications, and one-time directive-type memoranda, consistent with DOD 5025.1-M, that implement acquisition policies and procedures for the functions assigned USD(A). Instructions to Unified and Specified Commands shall be issued through the Chairman of the Joint Chiefs of Staff
Obtain reports, information, advice, and assistance consistent with OD Directive 7750.5, as necessary in carrying out assigned unctions	b. Obtain reports, information, advice, and assistance consistent with DOD Directive 7750.5, as necessary in carrying out assigned functions.
Communicate directly with the Heads of DOD Components ommunications to Commanders of Unified and Specified ommands shall be coordinated through the Chairman of the Joint hiefs of Staff	c. Communicate directly with the Heads of DOD Components Communications to Commanders of Unified and Specified Commands shall be through the Chairman of the Joint Chiefs of Staff.
Establish arrangements for DOD participation in non-defense overnmental programs for which the USD(A) is assigned primary ognizance	d. Establish arrangements for DOD participation in non-defense governmental programs for which the USD(A) is assigned primary cognizance.
Communicate with other Government Agencies, representatives of he legislative branch, and members of the public, as appropriate, in arrying out assigned functions	e. Communicate with other Government Agencies, representatives of the legislative branch, and members of the public, as appropriate, in carrying out assigned functions.
Coordinate and exchange information with other Office of the ecretary of Defense and DOD officials exercising collateral or lated responsibilities	f. Coordinate with and exchange information with other Office of the Secretary of Defense and DOD officials exercising collateral or related responsibilities.
Exercise the delegations of authority contained in enclosure 2 to is Directive	g. Exercise the delegations of authority contained in enclosure 2. (deleted)
o Direction	h. Work directly with the Service Acquisition Executives

(continued)

Charter issued in 1987	Charter issued in 1989
6 Other Office of the Secretary of Defense officials and Heads of DOD Components shall coordinate with the USD(A) on all matters related to authorities, responsibilities, and functions assigned in this Directive	7 Other Office of the Secretary of Defense officials and Heads of DOD Components shall coordinate with the USD(A) on all matters related to authorities, responsibilities, and functions assigned in this Directive
No emergency delegation	8 In the absence or disability of the USD(A), the Acting USD(A) may exercise all authorities of the USD(A)
No qualification on delegated authority	9 Nothing in this Directive or the Delegations of Authority to the USD(A) limits or otherwise affects delegations of authority by the Secretary of Defense to the Deputy Secretary of Defense
F. Effective date	**F. Effective date**
Signed by the Deputy Secretary of Defense	Signed by the Secretary of Defense

In the Authority and Relationships section of the 1989 charter, the Secretary made 25 amendments which included the addition of 5 new paragraphs that either clarified or expanded the USD(A)'s authority. A key clarifying amendment is in paragraph E.2., which states: "The USD(A) is hereby granted the authority to direct the Secretaries of the Military Departments and Heads of all other DOD Components with respect to matters for which the USD(A) has responsibility." The 1987 charter appeared to limit the USD(A)'s authority by specifying the direction on policy, procedure, and execution of the acquisition system. A key expanding amendment is paragraph E.4., which authorizes the USD(A) to direct the DOD Comptroller to withhold funds for acquisition programs that do not meet milestone requirements. And, paragraph E.3. delegates to USD(A) the authority to establish these requirements.

Major Contributors to This Report

National Security and International Affairs Division, Washington D.C.	Michael E. Motley, Associate Director James F. Wiggins, Assistant Director Robert W. Fain, Evaluator-in-Charge

Related GAO Products

Major Acquisitions: Summary of Recurring Problems and Systemic Issues: 1960-1987 (GAO/NSIAD-88-135BR, Sept. 13, 1988).

Defense Management: Status of Recommendations by Blue Ribbon Commission on Defense Management (GAO/NSIAD-89-19FS, Nov. 4, 1988).

Acquisition Reform: Military Departments' Response to the Reorganization Act (GAO/NSIAD-89-70, June 1, 1989).

Acquisition Reform: DOD's Efforts to Streamline Its Acquisition System and Reduce Personnel (GAO/NSIAD-90-21, Nov. 1, 1989).

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